

Message Text

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ACTION EUR-25

INFO OCT-01 ISO-00 SCEM-02 INT-08 AID-20 CEQ-02 CIAE-00

COA-02 COME-00 DODE-00 EB-11 EPA-04 INR-10 IO-13 L-03

NSF-04 NSC-10 NSAE-00 PM-07 RSC-01 SCI-06 SS-15

SPC-03 H-03 PA-03 PRS-01 USIA-15 ACDA-19 DRC-01 /189 W

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P 182220Z SEP 73

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 1754

INFO AMCONSUL VANCOUVER

AMCONSUL MONTREAL

AMCONSUL TORONTO

AMCONSUL WINNIPEG

AMCONSUL ST JOHNS

AMCONSUL CALGARY

AMCONSUL HALIFAX

AMCONSUL QUEBEC

UNCLAS SECTION 1 OF 2 OTTAWA 2243

E.O. 11652: N/A

TAGS: ENRG, SENV, CA, US

SUBJECT: TRANS-ALASKA PIPELINE

FOLLOWING IS TEXT BASED ON UNEDITED TRANSCRIPT OF
EXCHANGE IN HOUSE OF COMMONS SEPTEMBER 18, 1973,
DEALING WITH OIL PIPELINE AND RELATED ISSUES, INCLUDING
SECRETARY OF STATE SHARP'S SEPTEMBER 25 APPOINTMENT WITH
DR. KISSINGER.

BEGIN TEXT

MR. JOHN A. FRASER (VANCOUVER SOUTH):
MR. SPEAKER, I RISE UNDER THE TERMS OF STANDING ORDER
43 TO PROPOSE A MOTION ON A MATTER OF PRESSING NATIONAL
IMPORTANCE, NAMELY THE REPORT THAT THE UNITED STATES
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ADMINISTRATION HAS, IN EFFECT, REJECTED ANY OVERLAND

ALTERNATIVE TO THE USE OF SUPERTANKERS AT CHERRY POINT TO PROVIDE CRUDE OIL FOR THE PUGET SOUND AREA AND THE REVELATION FROM WASHINGTON THAT THE CANADIAN GOVERNMENT HAS NOT YET FORMALLY PROPOSED ANY ALTERNATIVE OVERLAND SCHEME. I MOVE, SECONDED BY THE HON. MEMBER FOR VICTORIA (MR. MCKINNON):

THAT THIS HOUSE EXPRESSES ITS UNALTERABLE OPPOSITION TO USE OF THE CHERRY POINT TERMINAL BY OIL SUPERTANKERS AND REQUESTS THAT THE MINISTER OF EXTERNAL AFFAIRS MAKE A FULL STATEMENT OUTLINING THE GOVERNMENT'S FORMAL POSITION AND WHAT MEASURES THE GOVERNMENT WILL UNDERTAKE ON THIS CRITICAL MATTER.

MR. SPEAKER: THE HON. MEMBER'S MOTION REQUIRES UNANIMOUS CONSENT. IS THERE UNANIMOUS CONSENT?

SOME HON. MEMBERS: AGREED.

SOME HON. MEMBERS: NO.

MR. SPEAKER: THERE IS NOT UNANIMOUS CONSENT.

MR. JOHN A. FRASER: MR. SPEAKER, MY QUESTION IS FOR THE RIGHT HON. PRIME MINISTER. IN VIEW OF THE FACT THAT SINCE JULY THE GOVERNMENT HAS UTTERLY FAILED TO MAKE ANY PROPOSAL TO THE UNITED STATES GUARANTEEING CANADIAN OIL TO PUGET SOUND REFINERIES IN ORDER TO END TANKER TRAFFIC IN THOSE WATERS AND IN VIEW OF THE BRAVE WORDS OF THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS IN JULY THAT WE HAVE JUST BEGUN TO FIGHT--

MR. SPEAKER: ORDER, PLEASE. PERHAPS THE HON. MEMBER SHOULD ASK THE QUESTION. MAY I REMIND HON. MEMBERS IMMEDIATELY AT THE BEGINNING OF THE QUESTION PERIOD THAT IT IS THE RESPONSIBILITY OF HON. MEMBERS TO ASK QUESTIONS WITHOUT PRECEDING THEM BY STATEMENTS, PREAMBLES OR ALLEGATIONS.

MR. FRASER: CAN THE PRIME MINISTER ADVISE THE HOUSE WHY NO OFFICIAL COMMUNICATIONS HAVE BEEN MADE TO THE UNITED STATES SETTING FORTH A SPECIFIC PROPOSAL WHEN EVERYONE IN THE HOUSE HAS KNOWN THAT SUCH

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COMMUNICATION IS IMPERATIVE IN VIEW OF THE LEGISLATION PRESENTLY BEFORE THE U.S. CONGRESS?

HON. MITCHELL SHARP (SECRETARY OF STATE FOR EXTERNAL AFFAIRS): MR. SPEAKER, THE VIEWS OF THE CANADIAN GOVERNMENT ARE WELL KNOWN TO THE UNITED STATES ON THIS SUBJECT.

SOME HON. MEMEBERS: OH, OH.

AN HON. MEMBER: EXPLAIN.

MR. SHARP: THEY HAVE BEEN ANNOUNCED IN THE HOUSE OF COMMONS, AND I CAN THINK OF NO MORE AUTHORITATIVE A PLACE IN WHICH TO STATE GOVERNMENT POLICY. MOREOVER, I HAVE HAD OCCASION TO REMIND THE UNITED STATES OF THE CANADIAN POSITION. AS THE HON. MEMBERS KNOWS, THE ALASKA PIPELINE WILL NOT BE COMPLETED FOR SOME YEARS, SO IT IS NOT A MATTER THAT HAS TO BE SETTLED TODAY OR TOMORROW. I DO INTEND, WHEN I MEET THE SECRETARY OF STATE OF THE UNITED STATES IN NEW YORK NEXT WEEK, TO REMIND HIM OF THE CANADIAN POSITION.

MR. FRASER: IN VIEW OF THE U.S. SECRETARY MORTON'S LETTER TO THE HOUSE INTERIOR COMMITTEE SETTING OUT THE ADMINISTRATION'S OPPOSITION TO ADDITIONAL CANADIAN OIL TO PUGET SOUND AND BECAUSE THE KEY CLAUSE IN THE U.S.-CANADIAN NEGOTIATION ON THIS VERY POINT, DOES THE GOVERNMENT INTEND TO DO NOTHING UNTIL THE MEETING TO WHICH THE MINISTER HAS JUST REFERRED OR THE MEETING ABOUT WHICH THE MINISTER OF ENERGY, MINES AND RESOURCES TOLD US A FEW DAYS AGO WHICH WILL TAKE PLACE SOME WEEKS FROM NOW BETWEEN THE MINISTER AND GOVERNOR LOVE?

MR. SHARP: PROVIDED THAT THE APPOINTMENT OF THE SECRETARY OF STATE IS CONFIRMED BY THE SENATE, I EXPECT TO SEE HIM ON TUESDAY MORNING AT NINE O'CLOCK.

MR. FRASER: MR. SPEAKER, IN VIEW OF THE PRIME MINISTER'S STATEMENT ON TUESDAY LAST THAT IT IS GOVERNMENT POLICY TO PROPOSE CANADIAN OIL TO PUGET SOUND TO END TANKER TRAFFIC THERE, CAN THE RIGHT HON. PRIME MINISTER ASSURE THE HOUSE THAT HE WILL FORTHWITH UNCLASSIFIED

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MAKE A STATEMENT ON MOTIONS SETTING OUT IN DETAIL THE CANADIAN PROPOSAL, AND GIVE TO THIS HOUSE AN ASSURANCE THAT SUCH PROPOSAL WILL BE IMMEDIATELY COMMUNICATED TO THE UNITED STATES GOVERNMENT, BECAUSE NOBODY BELIEVES ANY LONGER THAT THE GOVERNMENT CARES WHAT HAPPENS ON THE WEST COAST?

MR. SPEAKER: ORDER, PLEASE.

HON. ROBERT L. STANFIELD (LEADER OF THE OPPOSITION): MR. SPEAKER, I THINK I HAD BETTER ADDRESS THIS QUESTION TO THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS SINCE THE PRIME MINISTER IS NOT ACCEPTING QUESTIONS ON THE SUBJECT. WITH REGARD TO CANADA SUPPLYING OIL TO THE PACIFIC NORTHWEST REFINERIES IN THE VICINITY OF CHERRY POINT, HAS THE SECRETARY OF STATE FOR EXTERNAL

AFFAIRS IN HIS CONVERSATIONS WITH THE SECRETARY OF
STATE FOR THE UNITED STATES INDICATED THAT SUCH OIL
WILL BE SUPPLIED SUBJECT TO THE EXPORT TAX?

HON. MITCHELL SHARP: MR. SPEAKER, THE DIFFERENCE
BETWEEN AMERICAN AND CANADIAN PRICES IS REPRESENTED BY
THE TAX BUT I AM QUITE SURE THAT THE AMERICAN
ADMINISTRATION UNDERSTANDS, EVEN IF THE LEADER OF
THE OPPOSITION DOES NOT, THAT THE PRICE WOULD HAVE
BEEN THE SAME WHETHER THERE WAS A TAX OR NOT.

MR. STANFIELD: MR. SPEAKER, I TAKE IT THE
ANSWER IS YES ALTHOUGH THE MINISTER SKATED ALL
AROUND THE SUBJECT. I SHOULD LIKE TO ASK THE

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ACTION EUR-25

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SECRETARY OF STATE FOR EXTERNAL AFFAIRS WHAT
ASSURANCES HE IS PREPARED TO GIVE TO THE SECRETARY OF

STATE IN THE UNITED STATES WITH REGARD TO THE PRICE AT WHICH CANADA IS PREPARED TO SUPPLY OIL TO THE PACIFIC NORTHWEST. IS IT TO BE, AS THE MINISTER FOR ENERGY, MINES AND RESOURCES INDICATED THE OTHER DAY, A DOMESTIC PRICE BASED UPON OIL LANDED IN MONTREAL PLUS AN EXPORT TAX OR WHAT FIRM PROPOSITION DOES THE MINISTER INTEND TO MAKE WITH REGARD TO PRICING TO THE SECRETARY OF STATE OF THE UNITED STATES?

MR. SHARP: MR. SPEAKER, THE PRICE WILL BE IN LINE WITH PRICES WITHIN THE UNITED STATES. I AM SURE THE LEADER OF THE OPPOSITION WOULD NOT WANT US TO SELL OUR OIL FOR LESS THAN WE COULD GET FOR IT IN THE UNITED STATES.
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MR. BARRY MATHER (SURREY-WHITE ROCK):
MR. SPEAKER, MY QUESTION TO THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS IS SUPPLEMENTARY TO THOSE ASKED EARLIER ABOUT THE CHERRY POINT REFINERY. HAVING IN MIND THE FACT THAT THE CHERRY POINT REFINERY IS APPROXIMATELY 18 MILES OFF THE LOWER MAINLAND OF BRITISH COLUMBIA AND ALSO THE FACT THAT THE POTENTIAL OIL POLLUTION FROM TANKERS IS ALMOST ASSURED IN THAT AREA, HAS REPRESENTATION BEEN MADE OR WILL IT BE MADE TO THE UNITED STATES FOR EITHER THE REMOVAL OF THE CHERRYPOINT REFINERY TO A GREATER DISTANCE FROM CANADA'S SHORES OR HAS THE SUBJECT BEEN RAISED WITH THE UNITED STATES GOVERNMENT TO PREVENT THIS POLLUTION SO CLOSE TO THE MAINLAND OF BRITISH COLOMBIA.

HON. MITCHELL SHARP; YES, MR. SPEAKER, THIS SUBJECT HAS BEEN RAISED ON MANY OCCASIONS. AS I SAID IN ANSWER TO QUESTIONS EARLIER IN THE SESSION, THE CANADIAN GOVERNMENT WAS NOT OPPOSED TO THE ALASKA PIPELINE AS SUCH BUT WAS OPPOSED VERY STRONGLY AND REMAINS OPPOSED TO THE POLLUTION OF THOSE BEATIFUL INLAND WATERS OF BRITISH COLUMBIA AND WHICHEVER WAY WE CAN ACHIEVE THIS PURPOSE WE WILL FOLLOW.

MR. ALLAN B. MCKINNON (VICTORIA): MR. SPEAKER, A SUPPLEMENTARY ON THE SAME SUBJECT PERHAPS A LITTLE MORE DETAILED THAN THE ONE JUST ASKED. WOULD THE MINISTER NOW CONSIDER THE CONSERVATIVE SUGGESTION AND RECOMMEND TO THE UNITED STATES THAT THE MAJOR TERMINAL FOR THE ALASKA-U.S. TANKER ROUTE SHOULD BE RELOCATED AWAY FROM CHERRY POINT TO LESS DANGEROUS WATERS SUCH AS NEAH BAY OR GREY'S HARBOUR AND WOULD THE GOVERNMENT MOVE EXPEDITIOUSLY ON THIS MATTER SO

THAT THIS TIME THE REQUEST MAY PRECEDE THE REFUAL?

HON. MITCHELL SHARP; MR. SPEAKER, I WOULD DENY
THE PREMISE OF THIS QUESTION, THAT THIS IS PARTICULARLY
A CONSERVATIVE IDEA. THIS IS AN IDEA THAT HAS BEEN
FLOATED AROUND FOR A LONG TIME BY MANY PEOPLE AND HAD
BEEN SHARED BY MEMBERS OF THIS PARTY. IT CERTAINLY
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WOULD BE ONE THAT WE WOULD FOLLOW.
END OF TEXT.
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